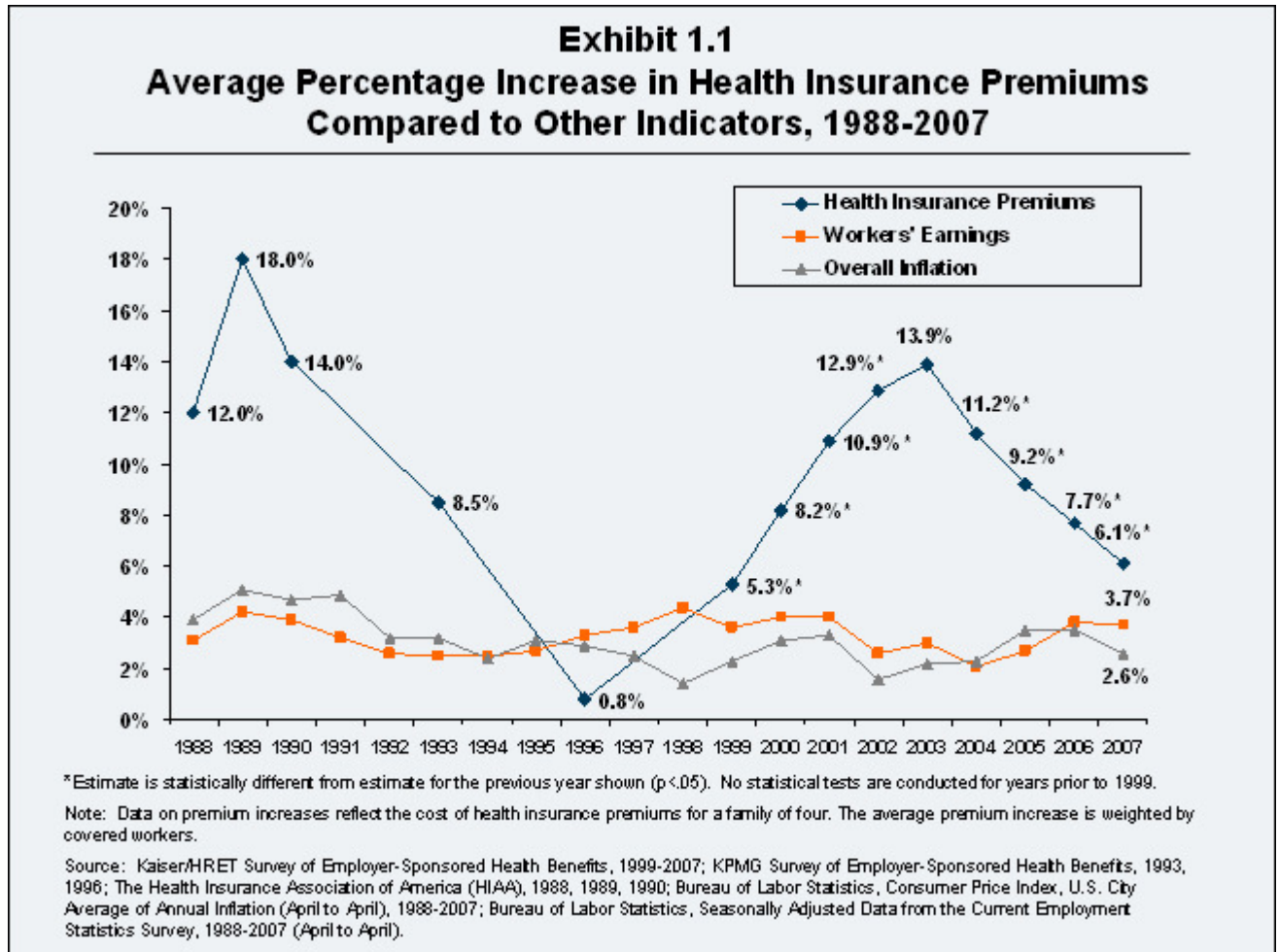


## A National Perspective on Health Care Cost Increases

Every year, the Kaiser Family Foundation and the Health Research and Educational Trust provide a summary of the average annual percentage increase in health care costs throughout the nation compared to the percentage increase in Workers' Earnings and Overall Inflation. Since beginning this "rolling" 20-year comparison, health care cost increases have averaged more than three times the annual increases of wage increases received by workers and overall inflation.



As the graph above indicates, neither worker's wages nor retiree income is able to keep pace with the overall increases in the cost of health coverage. The same is true for employers, including the largest purchaser of health care, the Federal Government. As this graph illustrates, the reason it is so critical to contain health care costs is because health costs are slowly consuming all other revenues.

The information contained in the graph is especially problematic for retirees, individuals living in remote rural areas or outside the country, and for those who are living on a fixed income with little or no adjustment for cost of living increases.